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February 26, 2007

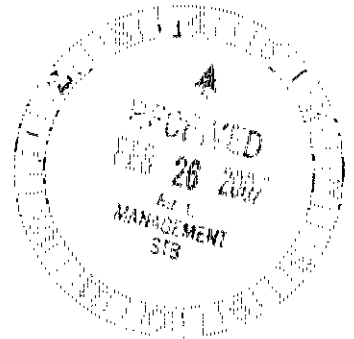
**By Courier**

Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, N.W.  
Washington, D.C. 20423

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Re: Clarifications to Record of January 31, 2007 Hearing in Ex Parte No. 646 (Sub-No. 1)

Dear Mr. Secretary:

This letter addresses a matter that arose during the January 31, 2007 hearing held by the Board in Ex Parte No. 646 (Sub-No. 1), Simplified Standards for Rail Rate Cases.

At pages 343-347 of the Transcript, there was an exchange between Vice Chairman Buttrey and the undersigned (representing both Norfolk Southern Railway Company and CSX Transportation, Inc.) in which the Vice Chairman inquired, inter alia, whether in the event that mediation had not been successful in the BP-Amoco case against Norfolk Southern (Docket No. 42093) NS would have filed a Motion To Dismiss the case on the grounds that BP Amoco was not an appropriate entity to invoke the Ex Parte No. 347 (Sub-No. 2) Guidelines. Although the undersigned correctly recalled that NS had agreed for purposes of the mediation not to contest BP Amoco's eligibility in that regard, my subsequent remarks about not being certain whether NS would contest the issue should mediation fail reflected a failure of memory. Specifically, in the "Comments of Norfolk Southern Railway Company Regarding Procedures and Standards Announced in June 6, 2005 Decision" in Docket No. 42093, filed on June 16, 2005, we stated on behalf of NS that "...NS does not intend to oppose BP Amoco's request (should mediation fail to resolve this matter) that this case be considered under ... [the Guidelines]". (NS Comments at 2). The Comments contain a footnote appended to the quoted sentence making it clear that "NS' decision not to contest eligibility – which is based upon NS' assessment of the unique circumstances of this case – is for purposes of this case only. NS does *not* concede that this case would be eligible for simplified treatment under the appropriate standards." (Id., emphasis in original).



Honorable Vernon A. Williams  
February 26, 2007  
Page 2

I appreciate the opportunity to correct the record with respect to this matter.

Sincerely,

A handwritten signature in cursive script, reading "G. Paul Moates".

G. Paul Moates

cc: Chairman Nottingham  
Vice Chairman Buttrey  
Commissioner Mulvey  
Parties of Record in Ex Parte No. 646 (Sub-No. 1) (via First-Class Mail)